

Supreme Court of New Jersey
Disciplinary Review Board
Docket No. DRB 21-054
District Docket No. XIV-2019-0576E

In the Matter of
Steven Gaspar Bazil
An Attorney at Law

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Decision

Decided: August 19, 2021

To the Honorable Chief Justice and Associate Justices of the Supreme Court of New Jersey.

This matter was before us on a certification of the record filed by the Office of Attorney Ethics (the OAE), pursuant to R. 1:20-4(f). The formal ethics complaint charged respondent with having violated RPC 3.4(c) (knowingly disobeying an obligation under the rules of a tribunal), RPC 8.1(b) (failing to

cooperate with disciplinary authorities), and RPC 8.4(d) (engaging in conduct prejudicial to the administration of justice).¹

For the reasons set forth below, we determine to impose a censure.

Respondent earned admission to the New Jersey, New York, and Pennsylvania bars in 1992. He has no disciplinary history in New Jersey. During the relevant timeframe, he maintained a law practice in Glenmoore, Pennsylvania.

Service of process was proper. The OAE served respondent with copies of the formal ethics complaint via various means and, on January 12, 2021, respondent replied to the OAE by e-mail, requesting an extension of time to file his answer. On January 14, 2021, the OAE afforded respondent until February 2, 2021 to file his answer.

As of March 8, 2021, respondent had not filed an answer to the complaint, and the time within which he was required to do so had expired. Accordingly, the OAE certified this matter to us as a default.

We now turn to the allegations of the complaint.

In 2017, Internal Revenue Service (IRS) Revenue Officer Matthew Muller

¹ Due to respondent's failure to file an answer to the formal ethics complaint, the OAE amended the complaint to include the RPC 8.1(b) charge.

conducted an audit of respondent's income tax returns for the years 2014 through 2018. On December 15, 2017, Muller sent respondent a summons seeking certain tax records. Respondent failed to produce the requested records.

Seven months later, on June 12, 2018, Assistant United States Attorney (AUSA) Deborah Frey sent a letter to respondent informing him that the tax matter had been referred to her office for the enforcement of the IRS summons, and requiring respondent's reply by June 27, 2018. On June 26, 2018, respondent sent an e-mail to Frey claiming that he had complied with Muller's requests.

Subsequently, on August 2, 2018, respondent provided the government with supplemental documents. Thereafter, on August 28, 2018, AUSA Frey sent a second letter to respondent explaining that, although he had previously produced some requested documents, the IRS still required a substantial number of documents, including verification of respondent's income and expenses for the prior six months. AUSA Frey set a production deadline of September 14, 2018. Respondent failed to submit any further documentation.

On October 26, 2018, Muller sent a second IRS summons to respondent seeking the production of his tax records for the years 2002 through 2007, 2014, and 2016 through 2017, with a production deadline of November 8, 2018. On

November 7, 2018, respondent sent Muller an e-mail asserting that he was gathering material in response to the summons, and would provide some documentation the next day, with the rest to follow the next week. Presumably, respondent failed to comply with the second summons as promised and, on March 8, 2019, AUSA Frey again sent respondent a letter requiring him to comply with both IRS summonses.

On April 17, 2019, due to respondent's continued noncompliance, AUSA Frey filed a complaint in the United States District Court for the Eastern District of Pennsylvania (the EDPA), seeking to enforce the IRS summonses. On April 22, 2019, the Honorable Cynthia M. Rufe, U.S.D.J., issued an order to show cause requiring respondent's appearance on June 24, 2019. Respondent failed to appear.

Consequently, on June 24, 2019, Judge Rufe entered an order requiring respondent to appear before Muller on or before July 15, 2019, with all previously requested documents. Respondent failed to comply with the court's order.

On July 16, 2019, AUSA Frey sent respondent a letter, by certified mail, directing him to comply with the second IRS summons by July 29, 2019. She cautioned respondent that his failure to comply would result in her

recommendation for the issuance of a warrant for his arrest. On July 29, 2019, respondent sent an e-mail to Muller with attachments purporting to satisfy the IRS summonses. That same date, after Muller had reviewed the attached documents, AUSA Frey sent respondent an e-mail stating that his submission was merely duplicative of his prior submissions. She gave respondent an additional twenty-four hours to comply with the summonses. Respondent failed to comply.

Thereafter, on August 12, 2019, AUSA Frey filed a motion in the EDPA seeking the issuance of a warrant for respondent's arrest. On August 19, 2019, Judge Rufe ordered respondent to appear before the court, on September 4, 2019, to explain why he should not be held in civil contempt of court for failing to comply with the court's prior order. On September 3, 2019, respondent sent AUSA Frey an e-mail asserting that, the previous week, he had sent Muller a 173-page facsimile containing all outstanding documents, for a total production of 300 pages. He claimed that, due to illness, he would not be appearing at the next day's hearing before Judge Rufe. The next day, on September 4, 2019, respondent failed to appear before Judge Rufe.

On September 4, 2019, Judge Rufe found respondent in contempt of court for violating her June 24, 2019 order and issued a warrant was for his arrest. On

October 2, 2019, the United States Marshals Service executed the warrant and arrested respondent. On October 14, 2019, respondent reported his arrest to the Honorable Glen A. Grant, J.A.D., Acting Administrative Director of the Administrative Offices of the New Jersey Courts.

Subsequently, on November 22, 2019, considering respondent's satisfaction of the terms of her October 2, 2019 order, Judge Rufe dismissed the action against respondent. As of January 23, 2020, respondent was in full compliance with the IRS's document requests.

Based on the foregoing facts, the complaint alleged that respondent violated RPC 3.4(c) and RPC 8.4(d). Additionally, due to respondent's failure to file an answer to the complaint, the complaint was amended to include the charge of a willful violation of RPC 8.1(b).

We find that the facts recited in the complaint support all the charges of unethical conduct. Respondent's failure to file an answer to the complaint is deemed an admission that the allegations are true and that they provide a sufficient basis for the imposition of discipline. R. 1:20-4(f)(1).

Specifically, respondent disobeyed the District Court's orders on three occasions. First, on June 24, 2019, he failed to appear before Judge Rufe on an order to show cause. Second, he failed to comply with Judge Rufe's June 24,

2019 order, which required him to appear before Muller by July 15, 2019. Third, he failed to comply with Judge Rufe's August 19, 2019 order, which required him to appear, on September 4, 2019, to explain why he should not be held in civil contempt of court for failing to comply with the court's previous orders. Respondent's failure to comply with three separate District Court orders constituted violations of RPC 3.4(c) and RPC 8.4(d).

Finally, respondent violated RPC 8.1(b) by failing to file an answer to the formal ethics complaint. Indeed, despite requesting an extension of time to answer the complaint, respondent failed to cooperate. The OAE's October 8, 2019 letter had cautioned him that his failure to file an answer would result in a charge of a willful violation of RPC 8.1(b).

In sum, we find that respondent violated RPC 3.4(c), RPC 8.1(b), and RPC 8.4(d). The sole issue left for determination is the appropriate quantum of discipline for respondent's misconduct.

On December 8, 2020, also in a default matter, the Court suspended an attorney for three months for his violations of RPC 3.4(c), RPC 8.1(b), and RPC 8.4(d). In re Ludwig, 244 N.J. 412 (2020). There, the attorney failed to comply with three orders to show cause requiring his appearance before the court in connection with an estate matter he was handling, in violation of RPC 3.4(c) and

RPC 8.4(d). Moreover, the attorney violated RPC 8.1(b) by failing to file an answer to the formal ethics complaint. In the Matter of Thomas Ludwig (DRB 19-413) (September 16, 2020) (slip op. at 10).

Based on the applicable disciplinary precedent, we determined that the baseline level of discipline for Ludwig's combined violations was a censure. In aggravation, Ludwig previously had received a reprimand for violating RPC 1.3 (lack of diligence), RPC 1.4(b) (failure to keep a client reasonably informed about the status of the matter), and RPC 8.1(b). Id. at 2.

Additionally, we considered, in aggravation, the default status of Ludwig's matter. It is well settled that "[a] respondent's default or failure to cooperate with the investigative authorities acts as an aggravating factor, which is sufficient to permit a penalty that would otherwise be appropriate to be further enhanced." In re Kivler, 193 N.J. 332, 342 (2008) (citations omitted). Considering the aggravating factors of Ludwig's default and his ethics history, the censure was enhanced to a three-month suspension. Id. at 13-14.

Like the attorney in Ludwig, respondent failed to comply with three court orders and then failed to answer the formal ethics complaint. Unlike the attorney in Ludwig, however, respondent has an otherwise unblemished career of twenty-nine years at the bar. Based on respondent's lack of prior discipline and his

prompt report of his arrest to New Jersey court authorities, we determine that a censure is the quantum of discipline necessary to protect the public and preserve confidence in the bar.

Chair Gallipoli and Member Menaker voted for a three-month suspension.

Member Boyer was absent.

We further determine to require respondent to reimburse the Disciplinary Oversight Committee for administrative costs and actual expenses incurred in the prosecution of this matter, as provided in R. 1:20-17.

Disciplinary Review Board
Hon. Maurice J. Gallipoli, A.J.S.C. (Ret.),
Chair

By: /s/ Timothy M. Ellis
Timothy M. Ellis
Acting Chief Counsel

SUPREME COURT OF NEW JERSEY
DISCIPLINARY REVIEW BOARD
VOTING RECORD

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Disposition: Censure

<i>Members</i>	Censure	Three-month suspension	Absent
Gallipoli		X	
Singer	X		
Boyer			X
Campelo	X		
Hoberman	X		
Joseph	X		
Menaker		X	
Petrou	X		
Rivera	X		
Total:	6	2	1

/s/ Timothy M. Ellis
Timothy M. Ellis
Acting Chief Counsel